

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NORTH DAKOTA

In re:) Case No. 23-30246
) Chapter 11 – Subchapter V
Bourbon Street LLC,)
d/b/a La Cantina, et al.)
)
Debtors, Jointly Administered.)

**ORDER GRANTING MOTION TO ENTER INTO
LEASE AGREEMENTS WITH INSIDERS**

Debtors Bourbon Street LLC (“Bourbon Street”), Petri Enterprises, LLC (“Petri Enterprises”), and Gannett Peak, LLC (“Gannett Peak”) filed motions for leave to enter into lease agreements with insiders (i) Mark Petri (“Mr. Petri”); and (ii) Wyoming Flats, LLC (“Wyoming Flats”). Doc. 82. The Acting United States Trustee filed a limited objection. Doc. 88. She withdrew her objection on October 2, 2023. Doc. 92. Alerus Financial, N.A. (“Alerus Financial”) also filed an objection. Doc. 93. The Court held a hearing on the matter on October 17, 2023, during which the parties summarized their agreement on the record. Based on the motion, the parties’ agreement and the declaration of Debtors’ principal, the Court finds that Debtors established cause to enter into these leases, and entering the leases is an appropriate exercise of Debtors’ business judgment. Accordingly, for the reasons stated on the record,

IT IS ORDERED, that

1. The Motion is GRANTED subject to the provisions of this Order.
2. Debtors and Alerus Financial agree that leases entered by Petri Enterprises and Gannett Peak are subordinate to the mortgages held by Alerus Financial.
3. Debtors and Alerus Financial agree that the leases entered by Petri Enterprises and Gannett Peak must not modify the terms of the mortgages held by Alerus Financial or the loan documents underlying these mortgages.

4. The rents paid by Petri Enterprises and Gannett Peak must be paid directly to Alerus Financial as payment toward the correlative mortgage obligations.

5. Debtors agree that the leases entered by Debtors will automatically terminate, for each correlative Debtor, if any of the following events occur: (i) Debtor's case is converted to Chapter 7; (ii) Debtor's case is dismissed; or (iii) Alerus Financial is granted leave from the automatic stay under 11 U.S.C. § 362 to pursue remedies against that Debtor and/or that Debtor's assets.

Dated: October 23, 2023.



SHON HASTINGS, JUDGE
UNITED STATES BANKRUPTCY COURT